

## Message Text

CONFIDENTIAL

PAGE 01 STATE 282285

51

ORIGIN AGR-08

INFO OCT-01 ARA-06 EUR-12 EA-06 ISO-00 EB-07 SAJ-01 SAM-01

COME-00 TRSE-00 OMB-01 CIEP-01 STR-01 CIAE-00 DODE-00

PM-03 H-01 INR-07 L-02 NSAE-00 NSC-05 PA-01 RSC-01

PRS-01 SP-02 SS-15 USIA-06 /089 R

66605

DRAFTED BY: FCA/G&FD:SWASHENKO

APPROVED BY: EA/PRCM:TSBROOKS

FAS:BKMEEKER

FAS:GSSHANKLIN

FAS:ETRANSOM

FAS/USDA:BEVIS

EA/PRCM:PTLINCOLN,JR.

----- 000305

R 271726Z DEC 74

FM SECSTATE WASHDC

TO USLO PEKING

INFO AMCONSUL HONG KONG

AMEMBASSY BUENOS AIRES

AMEMBASSY CANBERRA

AMEMBASSY OTTAWA

C O N F I D E N T I A L STATE 282285

E.O. 11652: N/A

TAGS: EAGR, CH

SUBJ: CANADIAN GRAIN SHIPMENTS TO PRC

REF: A. PEKING 2221

B. PEKING 2335

1. WE UNDERSTAND THAT EXPORTERS

DID NOT POSTPONE PER SE GRAIN SHIPMENTS TO PRC. SALES TO PRC  
WERE MADE ON F.O.B. BASIS WITH BUYER RESPONSIBLE FOR PROVIDING  
FREIGHT. FOR REASONS NOT CLEAR, PRC DID NOT PROVIDE FREIGHT TO  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 282285

SHIP THE GRAIN. ACCORDING TO RELIABLE SOURCES, PRC WILL NOW

PROVIDE FREIGHT SO THAT SHIPMENTS, ORIGINALLY SCHEDULED TO BE MADE BY END DECEMBER, MAY NOW BE COMPLETED BY LATE MARCH OR EARLY APRIL WHICH REPRESENTS A SPEEDING UP OF THE RESCHEDULED DELIVERIES.

2. WE CONCUR WITH REF TEL B THAT POSTPONEMENTS OF GRAIN (AND OTHER COMMODITIES) APPEAR LINKED TO CHINA'S OVER-ALL HARD CURRENCY TRADE IMBALANCE THIS YEAR.

3. PRC CLAIM OF RECORD GRAIN HARVEST WITH "BIG INCREASE OVER 1973" IS DIFFICULT TO ACCEPT BECAUSE WEATHER CONDITIONS, ESPECIALLY DURING FIRST HALF OF 1974 CROP SEASON, WERE NOT AS FAVORABLE AS 1973. IT IS DOUBTFUL THAT 1974 GRAIN OUTPUT IS SIGNIFICANTLY BETTER THAN LAST YEAR. WE BELIEVE IT IS ESPECIALLY IMPORTANT THAT PRC CONTRACTED FOR ADDITIONAL 2.1 MILLION METRIC TONS OF WHEAT FROM CANADA, U.S. AND AUSTRALIA WHEN WINTER WHEAT HARVEST (LATER CLAIMED TO BE A RECORD) WAS ALREADY KNOWN. RISING WHEAT PRICES (AT A TIME WHEN PRICES ARE NORMALLY FALLING) MAY HAVE INFLUENCED MAGNITUDE OF PRC PURCHASES IN EARLY SUMMER. BROWN

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, SALES, TRANSPORTATION, GRAINS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE282285  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** FCA/G  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740376-0067  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t1974127/aaaaafwh.tel  
**Line Count:** 81  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN AGR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 74 PEKING 2221  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 APR 2002 by boyleja>; APPROVED <23-Aug-2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CANADIAN GRAIN SHIPMENTS TO PRC  
**TAGS:** EAGR, CH  
**To:** PEKING  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005